

General Fund Budget Summary at Year-End

FY 2007:

Actual revenue collections exceeded the January 2007 legislatively approved forecast by \$106.2 million or 4.4%. Overall, the FY 2007 collections were 15.7% over the previous year. This left the balance on June 30, 2007 at \$268.8 million or a total of \$109.6 million more than expected after taking into account receipts to appropriation, larger than projected reversions, and small year-end adjustments.

When the Legislature adjourned in March they left an estimated \$139.4 million unspent to carry over as a beginning balance into FY 2008. Lawmakers used the unspent balance for one-time items such as a \$10 million transfer to the Opportunity Scholarship Fund, a \$60 million transfer to the Economic Recovery Reserve Fund, and as anticipated cash to cover agency replacement items.

REVENUES

Beginning Balance	\$ 310,999,200
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FY 2007 Actual Revenue Collections & Transfers

January 2007 Revenue Estimate	2,706,325,000
*Amount over Original Revenue Estimate	106,167,800
Transfer in from Water Loan Repayment	21,300,000
Transfer to Budget Stabilization Fund	(12,917,600)
Transfers out Approved in 2006 session	(79,864,200)
Transfer to PSEF - H1 Special Session	(100,000,000)
Transfers out to Deficiency Warrants	(4,569,800)
Transfers out for Building Projects	(104,352,600)
Transfers out by Executive Order	(3,125,000)
*Year-end adjustments	144,100

TOTAL REVENUES	\$ 2,840,106,900
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APPROPRIATIONS

FY 2007 Original Appropriations	\$ 2,343,077,800
Prior Year Reappropriations (FY06 to FY07)	\$ 10,844,000
Approp to PS - H1 special session	\$ 250,645,700
Supplementals less Rescissions	(\$ 9,480,700)
*Receipts to appropriation	\$ 420,300
*Reversions Incl. H&W \$1.7 million	(\$ 4,356,100)
*Current Year Reappropriations (FY07 to FY08)	(\$ 19,830,400)

TOTAL EXPENDITURES	\$ 2,571,320,600
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ENDING BALANCE

\$ 268,786,300

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Current Budget Scenario

FY 2008:

The August revised executive forecast has bumped up anticipated revenues by \$104.4 million for a 3.3% increase over FY 2007 actual revenues, leaving an estimated ending balance of \$241 million. Previously, growth for FY 2008 was forecast at 3.75% over a lower baseline of \$2.7 billion. Actual growth in FY 2007 is also triggering a larger than anticipated transfer of \$19 million to the Budget Stabilization Fund. State fire suppression costs are expected to be record-breaking at \$20 to \$25 million and will be handled with deficiency warrants at the beginning of the next legislative session. At this time, state agencies have not identified any other significant funding shortfalls for FY 2008.

This year's budget provided a 5.9% increase for public schools and an 8.4% increase for colleges and universities, and at the same time held Medicaid spending to 5.4%, which is the first time in two decades that educational spending outpaced the fast-growing Medicaid budget.

Cash reserves were given high priority, and the state now has \$121 million in the Budget Stabilization Fund, \$101 million in the Public Schools Stabilization Fund, and \$60 million in the Economic Recovery Reserve Fund. The Legislature's budget blueprint was a cornerstone accomplishment of the 2007 legislative session, and included funding for new energy policies, mental health and substance abuse initiatives, and higher education scholarships.

REVENUES

Beginning Balance	\$ 268,786,300
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FY 2008 Revenue Estimate

August 2008 Revised Revenue Estimate	2,905,310,000
Transfers Out made in 2007 Session	(73,179,500)
Transfer to Budget Stabilization Fund	(19,059,000)
Total General Funds Available	<hr/> \$3,081,857,800

APPROPRIATIONS

FY 2008 Original Appropriations	\$ 2,820,674,400
Reappropriations (Incl H&W)	19,830,400
Total Appropriations	<hr/> \$ 2,840,504,800

<u>ESTIMATED ENDING BALANCE</u>	\$ 241,353,000
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